



Senate

General Assembly

File No. 388

February Session, 2004

Substitute Senate Bill No. 589

Senate, March 31, 2004

The Committee on Environment reported through SEN. WILLIAMS of the 29th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING THE PRESERVATION OF THE FAMILY FARM.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 8-37u of the general statutes is amended by
2 adding subsection (f) as follows (*Effective July 1, 2004*):

3 (NEW) (f) The Commissioner of Economic and Community
4 Development shall consult with the Commissioner of Agriculture and
5 Consumer Protection with regard to the policies, activities, plans and
6 programs specified in this section and the impact on and degree of
7 protection provided to agricultural land by such policies, activities,
8 plans and programs.

9 Sec. 2. Section 4a-51 of the general statutes is repealed and the
10 following is substituted in lieu thereof (*Effective July 1, 2004*):

11 (a) The Commissioner of Administrative Services shall: (1) Purchase,
12 lease or contract for all supplies, materials, equipment and contractual
13 services required by any state agency, except as provided in sections 4-

14 98 and 4a-57; (2) enforce standard specifications established in
15 accordance with section 4a-56; (3) establish store rooms and
16 warehouses for the storage of the state's property in such locations as
17 may best serve the requirements of the state agencies; (4) operate such
18 trucks and garages as are necessary to deliver supplies, materials and
19 equipment from such central store rooms and warehouses to any state
20 agency; (5) establish and operate a central duplicating and mailing
21 room for state agencies located in the city of Hartford and such other
22 places as he deems practical, provided the State Library photostat and
23 offset printing department and the duplicating facilities of the
24 Department of Public Health shall remain as constituted; and (6)
25 establish and operate or have supervisory control over central or
26 regional bakeries, meat cutting establishments, laundries and other
27 central supply services in such locations as may best serve the
28 requirements of the state agencies.

29 (b) The Commissioner of Administrative Services, when purchasing
30 or contracting for the purchase of dairy products, poultry, eggs, fruits
31 or vegetables pursuant to subsection (a) of this section, shall give
32 preference to dairy products, poultry, eggs, fruits or vegetables grown
33 or produced in this state, when such products, poultry, eggs, fruits or
34 vegetables are comparable in cost to other dairy products, poultry,
35 eggs, fruits or vegetables being considered for purchase by the
36 commissioner that have not been grown or produced in this state.

37 Sec. 3. Section 22-38a of the general statutes is repealed and the
38 following is substituted in lieu thereof (*Effective from passage*):

39 The Commissioner of Agriculture shall establish and administer a
40 program to promote the preservation of agricultural land, as defined in
41 subsection (a) of section 22-26bb, and for the marketing of farm
42 products grown and produced in Connecticut for the [purpose]
43 purposes of encouraging the development of agriculture and the
44 preservation of agricultural land in the state. The commissioner may,
45 within available appropriations, provide a grant-in-aid to any person,
46 firm, partnership or corporation engaged in the preservation of such

47 agricultural land or in the promotion and marketing of such farm
48 products, provided the words "CONNECTICUT-GROWN" are clearly
49 incorporated in such promotional and marketing activities, if
50 applicable. The commissioner may adopt [, in accordance with chapter
51 54, such regulations as he deems necessary] regulations, in accordance
52 with the provisions of chapter 54, to carry out the purposes of this
53 section.

54 Sec. 4. (NEW) (*Effective from passage*) (a) For the purposes of this
55 section, "grocery or food store" means a business that employs ten or
56 more persons and is engaged in the retail sale of produce, such as
57 fruits and vegetables, meats, poultry, seafood, nuts, dairy products,
58 bakery products or eggs.

59 (b) No grocery or food store shall be eligible for any state grant,
60 financial assistance, state loan or other state-funded incentive under
61 title 32 of the general statutes, unless such store is certified as a
62 "Connecticut Farm Fresh Market" by the Commissioner of Agriculture
63 pursuant to subsection (c) of this section.

64 (c) The Commissioner of Agriculture shall establish and administer
65 a program, within available resources, to certify grocery and food
66 stores as "Connecticut Farm Fresh Markets". A grocery or food store
67 may be certified by the commissioner as a Connecticut Farm Fresh
68 Market if proof is submitted, to the satisfaction of the commissioner,
69 that such store continuously stocks fifteen per cent or more of its shelf
70 space for retail produce and dairy with farm products grown or
71 produced in this state. Such products include, but are not limited to,
72 dairy products, meat, poultry, seafood, nuts, eggs, fruits and
73 vegetables. A grocery or food store certified as a Connecticut Farm
74 Fresh Market may use the words "Connecticut Farm Fresh Market" for
75 promotional and marketing activities. No store other than a store
76 certified as a Connecticut Farm Fresh Market may use such words for
77 promotional and marketing activities.

78 (d) The Commissioner of Agriculture shall establish and administer
79 a program, within available resources, to promote restaurants in the

80 state that serve farm products grown or produced in the state. The
81 commissioner shall, upon receiving proof satisfactory to said
82 commissioner that at least twenty per cent of food served by a
83 restaurant consists of farm products grown and produced in the state,
84 certify the restaurant to use the words "Connecticut Farm Fresh
85 Restaurant" for promotional and marketing activities. No restaurant
86 other than one certified as a Connecticut Farm Fresh Restaurant may
87 use such words for promotional and marketing activities.

88 (e) The Commissioner of Agriculture shall establish and administer
89 a program, within available resources, to promote schools in the state
90 that serve farm products grown or produced in the state. The
91 commissioner shall, upon receiving proof satisfactory to said
92 commissioner that at least twenty per cent of food served by a school
93 consists of farm products grown and produced in the state, certify the
94 school to use the words "Connecticut Farm Fresh School" in any
95 promotional materials or description of such school. No school other
96 than one certified as a Connecticut Farm Fresh School may use such
97 words for promotional activities. For purposes of this subsection,
98 "school" includes any public or nonpublic school and any public or
99 nonpublic institution of higher education.

100 (f) The Commissioner of Agriculture may adopt regulations, in
101 accordance with the provisions of chapter 54 of the general statutes, to
102 carry out the purposes of this section.

103 Sec. 5. (NEW) (*Effective July 1, 2004*) (a) The Commissioner of
104 Agriculture and Consumer Protection shall establish an agricultural
105 planning pilot program to expand agricultural market opportunities
106 and to maintain agricultural market viability in the state.

107 (b) Said pilot program shall be in effect for two years, commencing
108 on the effective date of this section. Said program shall:

109 (1) Utilize, to the extent possible, the assistance of agricultural
110 graduate students from The University of Connecticut and Yale
111 University.

112 (2) Employ staff experienced in agricultural marketing and statistics
113 to perform research and create marketing plans for farm products
114 grown and produced in this state to expand market opportunities and
115 maintain a viable agriculture industry in this state.

116 (3) Complete agricultural market studies and distribute such studies
117 and any findings and recommendations associated with such studies
118 to farmers in this state.

119 (4) Produce a cooperative agricultural product shipping and
120 packaging plan to assist farmers in this state to meet demands of
121 expanding markets, including, but not limited to, retailers, local and
122 regional school boards and governmental agencies.

123 (c) The Commissioner of Agriculture and Consumer Protection shall
124 submit an interim report on the status of the implementation of the
125 pilot program established in subsection (a) of this section, pursuant to
126 the provisions of section 11-4a of the general statutes, to the joint
127 standing committee of the General Assembly having cognizance of
128 matters relating to the environment, not later than July 1, 2005. The
129 commissioner shall submit a final report on the pilot program,
130 including any findings, recommendations and necessary legislation, to
131 said joint standing committee not later than January 1, 2006, at which
132 time said joint standing committee may extend the pilot program or
133 make said program permanent.

134 Sec. 6. (NEW) (*Effective July 1, 2004*) A municipality, town, city,
135 borough or district, as defined in section 7-324 of the general statutes,
136 that takes active agricultural land by eminent domain shall: (1)
137 Purchase an agricultural conservation easement on an equivalent
138 amount of active agricultural land of comparable or better soil quality
139 in such municipality, town, city, borough or district, or (2) if no
140 comparable active agricultural land is available for an agricultural
141 conservation easement as provided in subdivision (1) of this section,
142 pay a fee for the purchase of development rights to an equivalent
143 amount of active agricultural land of comparable or better soil quality
144 elsewhere in the state. Such purchase amount shall be paid to the

145 General Fund and credited to the state program for the preservation of
146 agricultural land established pursuant to chapter 422a of the general
147 statutes. The municipality, town, city, borough or district shall notify
148 the Commissioner of Agriculture and Consumer Protection of its intent
149 to comply with the provisions of subdivision (1) or (2) of this section.
150 The Commissioner of Agriculture and Consumer Protection shall
151 determine the amount of the payment to be made by such
152 municipality, town, city, borough or district for the purchase of an
153 agricultural conservation easement or the purchase of development
154 rights pursuant to subdivisions (1) or (2) of this section. The
155 municipality, town, city, borough or district shall not proceed unless
156 the Commissioner of Agriculture and Consumer Protection approves
157 the purchase of agricultural conservation easements pursuant to
158 subdivision (1) of this subsection. Such agricultural conservation
159 easements shall be jointly and severally held by the municipality,
160 town, city, borough or district and the state.

This act shall take effect as follows:	
Section 1	<i>July 1, 2004</i>
Sec. 2	<i>July 1, 2004</i>
Sec. 3	<i>from passage</i>
Sec. 4	<i>from passage</i>
Sec. 5	<i>July 1, 2004</i>
Sec. 6	<i>July 1, 2004</i>

Statement of Legislative Commissioners:

Sections 4 and 6 were reworded for internal consistency and clarity.

ENV *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 05 \$	FY 06 \$
Department of Agriculture	GF - Cost	See Below	See Below
Department of Economic & Community Development	GO Bond Funds/GF - Cost	Potential	Potential
Admin. Serv., Dept	GF - None	None	None

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 05 \$	FY 06 \$
Various Municipalities	Potential Cost	See Below	See Below

Explanation

Expanding the Connecticut Grown Marketing Program to include preservation of agricultural land, establishing programs to certify Connecticut grocery stores, schools and restaurants as “Connecticut Farm Fresh Market,” establishing a two-year agricultural planning pilot program to expand market opportunities and maintain agricultural viability in the state, will increase state costs. Additional funds for the Department of Agriculture (DOAG) in the amount of \$205,000 and associated fringe benefit¹ costs are provided in sHB 5033, the State Budget, as favorably reported by the Appropriations Committee for three marketing and inspection representatives and the development of a strategic plan in FY 05. To the extent that these funds could be used for the new promotional programs and studies,

¹ The fringe benefit costs for state employees are budgeted centrally in the Miscellaneous Accounts administered by the Comptroller. The total fringe benefit reimbursement rate as a percentage of payroll is 45.82%, effective July 1, 2003. However, first year fringe benefit costs for new positions do not include pension costs lowering the rate to 20.23% in FY 05. The state’s pension contribution is based upon the prior year’s certification by the actuary for the State Employees Retirement System.

additional costs would only be required for part time clerical staff at a cost of approximately \$22,500 for three-quarters of a year in FY 05 and \$30,000 in FY 06, and associated other expense funds to carry out promotional activities. The associated costs would depend upon the scope of the programs, but are anticipated at over \$100,000 a year.

Any increase in workload of the Department of Economic and Community Development (DECD) due to consultations with DOAG is anticipated to be minimal.

Since DECD has previously not provided financing to grocery stores, provisions concerning grocery store loan eligibility are anticipated to result in a potential minimal savings due to a potential reduction in financial assistance required.

The bill also requires that the Commissioner of Administrative Services, when purchasing dairy products, poultry, eggs, fruits or vegetables, give preference to those grown or produced in Connecticut if they are comparable in cost to those grown or produced out of state. This has no fiscal impact on the agency.

Requiring municipalities or special districts that plan to take active agricultural land by eminent domain, to pay for an easement within its jurisdiction or purchase development rights for an equivalent amount of active land would increase costs to municipalities. The impact is indeterminate. The bill requires the purchase funds be paid to the General Fund and credited to the state program for the preservation of agricultural land, which is a GO bond funded program.

OLR Bill Analysis

sSB 589

AN ACT CONCERNING THE PRESERVATION OF THE FAMILY FARM**SUMMARY:**

This bill requires any municipality or special district that plans to take active agricultural land by eminent domain to (1) pay for an easement within its jurisdiction or (2) purchase development rights for active agricultural land outside of it that is the same size and of equivalent or better soil quality than the land to be taken. The municipality or special district must inform the agriculture commissioner of its intent to comply with the bill's provisions. The commissioner must determine the amount the municipality or special district pays for the easement or purchase. The municipality or special district cannot proceed until the commissioner approves of the purchase of the easement.

The bill requires the agriculture commissioner to establish and administer programs that allow grocery stores, schools, and restaurants to be certified as using certain percentages of Connecticut grown or produced farm products. The bill requires a grocery store to be certified as such to be eligible for loans and incentives from the Department of Economic Community Development (DECD).

The bill creates a two-year pilot program that requires the Agriculture Department to employ people experienced in the study of agriculture or statistics to study the state's agriculture, make recommendations for expanding markets and improving agricultural viability, and to create a cooperative marketing program, among other things.

The bill requires the Department of Administrative Services commissioner to give preference to dairy products, poultry eggs, and fruits or vegetables grown in the state if they compare in cost to those grown outside the state when he contracts for or purchases such farm products.

It allows farmers seeking to preserve agricultural land to qualify for grants from a program promoting and marketing Connecticut-grown and produced farm products.

The bill also requires the DECD commissioner to consult with the agriculture commissioner regarding state housing policy, activities, programs, and plans and their impact on, and protection for, agricultural land.

The bill also make a technical change.

EFFECTIVE DATE: July 1, 2004, except for the grants to preserve agricultural land and Connecticut Farm Fresh programs, which are effective upon passage.

TAKING ACTIVE AGRICULTURAL LAND BY EMINENT DOMAIN

This bill requires towns, cities, boroughs, or districts that want to take active agricultural land by eminent domain to (1) pay for an easement on the same amount of agricultural land (of comparable or better soil quality) in its jurisdiction, when available, or (2) pay the state a fee sufficient to purchase an easement for an equivalent amount of active agricultural land (of comparable or better soil quality) when none is available in its jurisdiction. In the latter case, the payments go into the General Fund and are credited to the state's farm preservation program. The municipality or special district must notify the DOACP commissioner of its intent to comply with the provision. The DOACP commissioner must determine the amount paid for the easement or development rights and approve any purchase before the municipality or special district can take the land.

The town cannot take any active agricultural land under the bill unless the DOACP commissioner approves the easement purchase. Under the bill, the easements are jointly and severally held by the town and the state.

CONNECTICUT FARM FRESH MARKET, RESTAURANT, AND SCHOOL PROGRAMS

Market

The bill requires a grocery or food store to be certified as a "Connecticut Farm Fresh Market" by the agriculture commissioner to

be eligible for any state financial assistance or other DECD incentive. The agriculture commissioner may certify a grocery or food store if the commissioner is satisfied that the store continuously stocks 15% or more of its shelf space for retail with produce and dairy with farm products grown or produced in Connecticut.

Under the bill, produce and dairy products grown or produced in Connecticut include dairy products, meat, poultry, seafood, nuts, eggs, fruits and vegetables.

A grocery or food store certified as a “Connecticut Farm Fresh Market” may use that phrase for promotional and marketing activities. The bill specifies that only the grocery or food store the commissioner certified may use the phrase for promotional and marketing activities.

Restaurants and Schools

The agriculture commissioner must also establish and administer programs, within available resources, to promote state restaurants and schools when at least 20% of the farm products they serve were grown or produced in the state. The commissioner must, when he receives satisfactory proof that at least 20% of farm products a restaurant or school serves were grown and produced in the state, certify the restaurant or school to respectively use the phrases “Connecticut Farm Fresh Restaurant” or “Connecticut Farm Fresh School” for promotional and marketing activities. The bill specifies that only the restaurant or school the commissioner certified may use the phrases for promotional and marketing activities and that “school” includes any public or nonpublic school and higher education institution.

The bill allows the commissioner to adopt regulations regarding the Connecticut Farm Fresh programs.

PLANNING PILOT

Under the bill, the agriculture commissioner must establish a two-year agricultural planning pilot program to expand agricultural market opportunities and to maintain agricultural market viability in the state. The pilot program must:

1. employ staff experienced in agricultural marketing and statistics to perform research and create marketing plans for farm products

- grown and produced in this state, expand market opportunities, and maintain a viable agriculture industry;
2. complete agricultural market studies and distribute them with any findings and recommendations to Connecticut farmers;
 3. produce a cooperative, agricultural product shipping and packaging plan to assist state farmers to meet demands of expanding markets to retailers, local and regional school boards, and governmental agencies; and
 4. utilize, to the extent possible, the assistance of agricultural graduate students from the University of Connecticut and Yale University;

The bill requires the commissioner to submit an interim report on the pilot program to the Environment Committee by July 1, 2005. The commissioner must submit a final report on the pilot, including any findings, recommendations, and necessary legislation to the committee by January 1, 2006. (The committee may choose to extend the pilot at that time.)

COMMITTEE ACTION

Environment Committee

Joint Favorable Substitute

Yea 27 Nay 0